

Message Text

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PAGE 01 SAIGON 06796 231820Z

66

ACTION L-03

INFO OCT-01 EA-11 ISO-00 AID-20 DODE-00 IGA-02 TRSE-00

EB-11 RSC-01 DRC-01 ABF-01 OMB-01 /052 W

----- 015340

R 231119Z MAY 74

FM AMEMBASSY SAIGON

TO SECSTATE WASHDC 5033

UNCLAS SAIGON 6796

E.O. 11652: N/A

TAGS: EFIN, VS

SUBJECT: FOREIGN TAX RELIEF

REF: STATE AIRGRAM A-3573

1. INFORMATION REQUESTED IN REF FOLLOWS WITH SUGGESTED ALTERATIONS OF TEXT:

LAST SENTENCE, PARA 2, PAGE 2 OF REF:

IT IS ESTIMATED THAT THIS EXEMPTION WILL SAVE THE USG APPROXIMATELY \$2.5 MILLION IN FISCAL YEAR 1974 THE OVERWHELMING PERCENTAGE WHICH IS IN THE INCOUNTRY PROCUREMENT PROGRAM.

FIFTH SENTENCE, PARA 1, PAGE 3 OF REF:

FOR ONE THING, THE TOTAL MONTHLY RENT PAYMENT ON U.S. LEASES IN VIETNAM FOR CALENDAR YEAR 1973 WAS APPROXIMATELY \$2.7 MILLION AS OPPOSED TO AVERAGE ANNUAL PAYMENTS IN 1967 AND 1968 OF APPROXIMATELY \$27.5 MILLION. IT SHOULD BE POINTED OUT THAT MORE THAN THREE FOURTHS OF THE 1973 PAYMENTS WERE FOR USAID LEASES WHICH ARE FUNDED FROM GVN ACCOUNTS.

2. WOULD SUGGEST YOU VERIFY IN WASHINGTON \$52.8 MILLION FUNDING FOR FY 1974 INCOUNTRY PROCUREMENT PROGRAM AS PER PARA 2, PAGE 4 OF REF. DAO HERE ESTIMATES THAT ACTUAL EXPENDITURES FOR FY 74 WILL BE ON THE ORDER OF \$25 MILLION. ALSO, OUR ESTIMATE ON SAVINGS DUE TO VAT IS BASED ON THIS LOWER FIGURE. MISSION EX-UNCLASSIFIED

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PENDITURES OTHER THAN USAID AND DAO- ICP ARE ON THE ORDER OF ONE MI-

LLION AND VAT SAVINGS DUE TO OUR EXEMPTION WOULD THUS APPRO-
XIMATE \$100,000 ON THESE EXPENDITURES ONLY.
MARTIN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LEASES, RENTS, GOVERNMENT EXPENDITURES
Control Number: n/a
Copy: SINGLE
Draft Date: 23 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740129-0897
From: SAIGON
Handling Restrictions: n/a
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Legacy Key: link1974/newtext/t19740523/aaaaaubv.tel
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Review Markings:

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30 JUN 2005

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